

Need to Establish a U.S. Entity?

- Explaining Entity Types and Launching Procedures

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- Boutique Firm with Multiple Locations
 - New York
 - Los Angeles
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- Helping Businesses
 - Corporate Transaction
 - Commercial Litigation
 - Intellectual Property (Patent, Trademark & Copyright)

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- International Transactions

Agenda

- I. Introduction
- II. U.S. Entity Types
- III. What's My Choice? – Considerations for Korean Companies
- IV. Steps for Launching a U.S. Business

I. Introduction

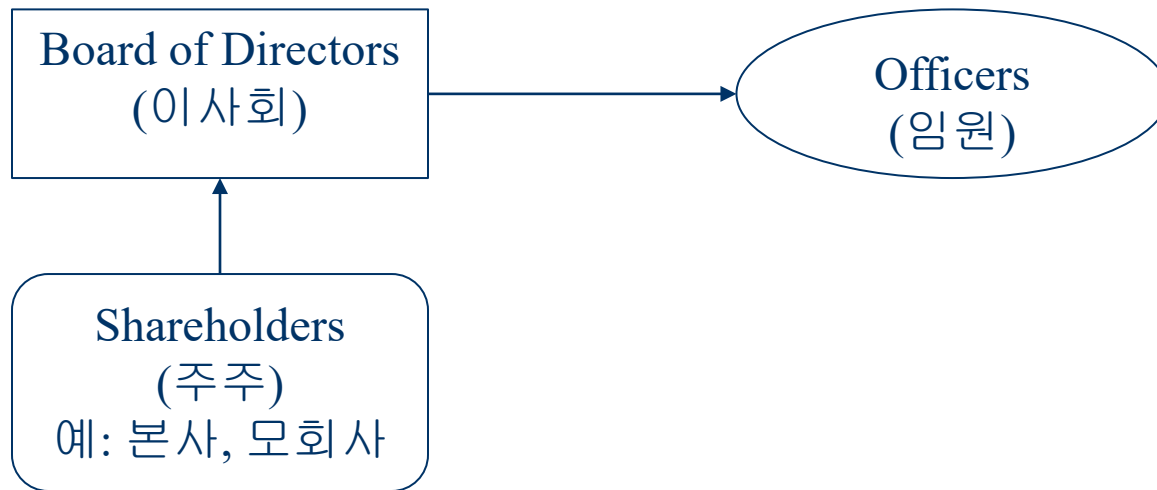
- Do I need a U.S. Entity?
 - Business Transactions without an Entity
 - “Branch” (지사)
 - A U.S. Entity (자회사)
 - “Flip” (미국 본사 – 한국 자회사)

II. U.S. Entity Types

- Corporation
 - S Corp. vs. C Corp. – No Choice for Foreigners
- Partnership
 - Limited Partnership vs. General Partnership
- Limited Liability Company (LLC)
 - Hybrid of Corporation & Limited Partnership
 - Tax Benefits (No Double Tax) – Not Applicable for Foreigners

II. U.S. Entity Types: Corporation

- Structure



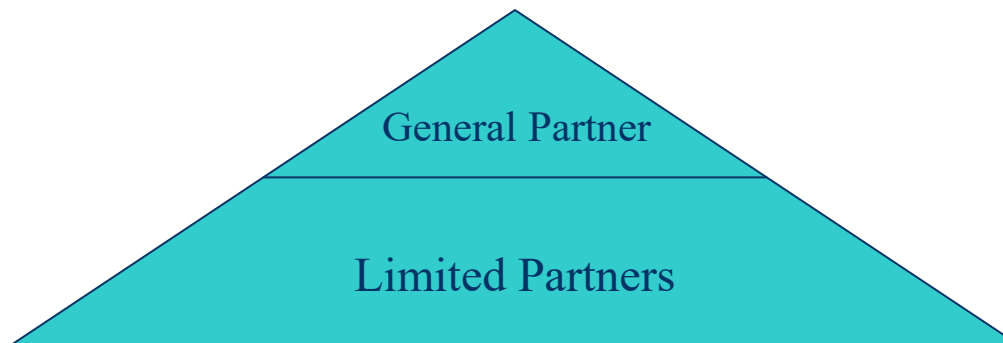
- Popular Type for Foreign Subsidiaries

II. U.S. Entity Types: Partnership

- General Partnership Structure

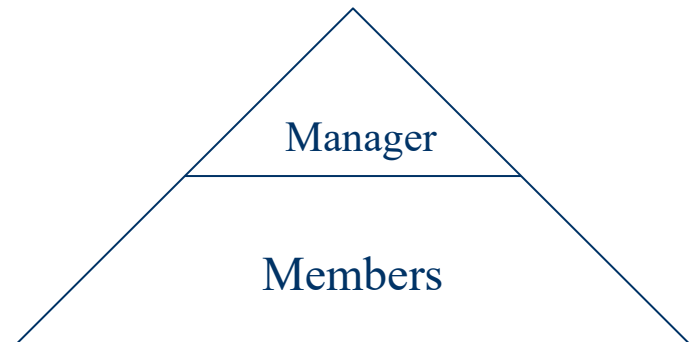
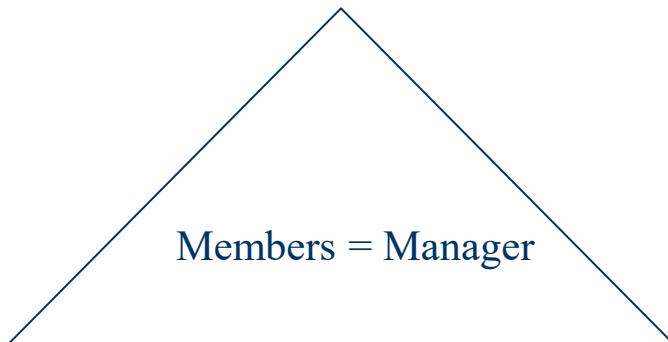


- Limited Partnership Structure



II. U.S. Entity Types: LLC

- LLC Structures: Member Managed vs. Manager Managed LLC



- Commonly Used for Real Estate Projects, JVs

III. What's My Choice? – Considerations for Korean Companies

- Branch vs. Subsidiary
- Type of Business
- Wholly Owned (100%) Subsidiary vs. JV
- Tax Considerations: U.S. Tax Treaty
- Common Selections: Corporation, LLC
- Capital Structure: Equity vs. Debt
- Jurisdiction: Which State?

IV. Steps for Launching U.S. Business

- Determine Jurisdiction (State)
 - Select Incorporation State
 - Consider Types of Business Activities (e.g., Nationwide, Limited Scope, Retail, R&D)
 - Tax Consideration
 - Venture Capital Investment Consideration
 - Industry Cluster

IV. Steps for Launching U.S. Business

- Determine Entity Type
 - Select Name (Name Availability vs. Tradename)
 - Key Employees: Officers and Directors
 - Prepare Corporate Organization Documents
e.g., Articles of Incorporation, Bylaws, various minutes
- Submit the Incorporation Documents to State
 - Articles of Incorporation, Articles of Organization
 - Annual Report

IV. Steps for Launching U.S. Business

- Apply for Employer Identification Number (EIN)
 - IRS
 - Essential for U.S. Operation
- Licenses
 - City Business License
 - Industry Specific Licenses
e.g., manufacturing, logistics, franchise
- Transfer of Key Employees
 - Immigration Law Considerations (L, E, H-1B Visas)

THANK YOU



Thank You!